

WINDSOR ACADEMY TRUST

MASTER FUNDING AGREEMENT

Multi Academy Model
(for Mainstream and Special Academies)

MASTER FUNDING AGREEMENT

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SCHEDULE 1

Model Supplemental Funding Agreement for a Mainstream Academy	
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INTRODUCTION

This Agreement is made under Section 4 of the Academies Act 2010 between the Secretary of State for Education ("the Secretary of State") and Windsor Academy Trust (the "Company").

The Company is a company incorporated in England and Wales, limited by guarantee, with registered Company number 7523436.

3) The Company intends to establish and maintain, and to carry on or provide for the carrying on of a number of Academies in accordance with this Agreement and the Supplemental Agreements.

4) This Agreement and the Supplemental Agreements will apply in respect of an Academy from such time as a Supplemental Agreement relating to that Academy shall have been entered into between the Secretary of State and the Company.

5) The following expressions used in this Agreement have the respective meanings assigned to them by the numbered clauses of this Agreement referred to immediately after the reference to the expressions -

a) "Academies Financial Handbook" - clause 67;

b) "Accounting Officer" - clause 62;

c) "Annual Letter of Funding" - clause 60;

d) "GAG" - clause 36;

e) "Capital Expenditure" - clause 37;

f) "Capital Grant" - clause 37;

g) "EAG" - clause 36;

h) "Local Governing Body" - clause 15;

i) "Recurrent Expenditure" - clause 36;

j) "Start-up Period" - clause 50;

6) In this Agreement the following words and expressions shall have the following meanings -

meanings:-

“Academy Financial Year” means the year from 1st September to 31st August or such other period as the Secretary of State may from time to time specify by notice in writing to the Company;

“Additional Directors” means Directors who may be appointed by the Secretary of State under the Articles of Association;

“Academy” means a Mainstream Academy or a Special Academy in respect of which and the Company and the expression “Academies” shall refer to all or any of such Academies;

“admission requirements” – are annexed to the relevant Supplemental Agreement;

“this Agreement” means this Agreement and any Supplemental Agreement to a numbered clause or annex is a reference to the clause or annex of this Agreement bearing that number or letter or the same may be amended or supplemented from time to time; –

“Business Day” means any day other than a Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday with the meaning given to that expression in the Banking and Financial Dealings Act 1971;

“Controls” in relation to a body corporate (“Entity”) means either the legal or beneficial ownership of 30 per cent or more of the issued shares in the Entity ordinarily having voting rights or the power of a person (‘A’) otherwise to secure –

(a) either by means of the holding of shares in that Entity or having an interest

(b) by virtue or any powers conferred by the articles of association or other document regulating that Entity or any other Entity or partnership including, without limitation, the power to appoint or remove a majority of the governing body thereof, or

(c) by virtue of any agreement, understanding or arrangement between any person

or persons,

that the affairs of the first-mentioned Entity are conducted in accordance with the wishes of A and ‘Controls’ shall be construed accordingly;

“DfE” means Department for Education;

in the relevant Supplemental Agreement, occurs;

“LA” means the Local Authority in the area in which the relevant Academy is situated;

“Mainstream Academy” means an Academy having the characteristics referred to in clause 12;

“Memorandum” and “Articles” means the Memorandum and Articles of Association of the Company for the time being in force, a copy of the current version of which is annexed to this Agreement as Annex A;

“parents” means parents or guardians;

“persons” includes a body of persons, corporate or incorporate;

“Head Teacher” means the head teacher of an Academy;

“Principal Regulator” means the body or person appointed as the Principal Regulator under the Charities Act 2006.

references to “school” shall where the context so admits be references to a Academy;

“Special Academy” means an Academy, specially organized, to make special educational provision for pupils with needs;

“Supplemental Agreement” means an agreement supplemental to this Agreement substantially in the form set out in Schedule 1 to this Agreement to be entered into by the Secretary of State and the Company pursuant to which the Company agrees to establish and maintain, and to carry on or provide for the carrying on, and the Secretary of State agrees to fund, an Academy in accordance with the terms and conditions of that Supplemental Agreement and this Agreement;

7) The Interpretation Act 1978 shall apply for the interpretation of this Agreement and any

8) Expressions defined in this Agreement shall have the same meaning where used in any

Annex to this Agreement or Supplemental Agreement

Annex to this Agreement or Supplemental Agreement

9) Questions arising on the interpretation of the arrangements in this Agreement shall be resolved by the Secretary of State after consultation with the Company

10) Section 1 (3) of the Academies Act 2010 states that -

(3) An Academy agreement is an agreement between the Secretary of State and the other party under which-

(a) the other party gives the undertakings in subsection (5), and

(b) the Secretary of State gives the other party, in consideration of those undertakings,

consideration of those undertakings."

10A) The parties agree that this Agreement supersedes and replaces the agreement dated

31 March 2011 entered into between the Secretary of State and the Company in respect

of the date of this Agreement and Supplemental Agreement for Windsor High School and

the date of this Agreement and Supplemental Agreement for Windsor High School and

Such Term entered into pursuant to it, shall have no effect, termination or the rights

Funding Agreement pursuant to this clause 10A shall not affect or prejudice any claim or

LEGAL AGREEMENT

11) In consideration of the Company undertaking to establish and maintain, and to carry on or provide for the carrying on of, of a number of independent schools in England

specialist organised to make special educational provision for pupils with SEN (the

Specialist Academies) the Secretary of State agrees to make payments to the

Company in accordance with the conditions and requirements set out in this Agreement

and Supplemental Agreements. If it is agreed between the Secretary of State and the

Company that the Company will establish and maintain, and to carry on or provide for

the carrying on of an Academy, the parties will enter into a Supplemental Agreement in

relation to that Academy. For the avoidance of doubt, any obligations imposed upon or

powers given to an Academy by this Agreement or any Supplemental Agreement are also imposed upon the Company.

CHARACTERISTICS OF ACADEMIES

12) The characteristics of a **Mainstream Academy** are as set down in Section 1A(1) of the Academies Act 2010:

- a) it is an independent school,
- b) it has a curriculum satisfying the requirements of section 78 of the Education Act 2002 (balanced and broadly based curriculum),
- c) it provides education for pupils of different abilities¹

which the school is situated, and

THE SEN OBLIGATIONS

12A) In respect of **Special Academies**:

- a) The Company must comply with all of the obligations imposed upon the governing bodies of maintained special schools in Chapter 1 of Part 4 of the Education Act 1996 and in Regulations in force at the date of this agreement or made from time to time under any provision in that Chapter (as amended from time to time²).
- b) Notwithstanding any provision in this Agreement, the Secretary of State may (whether following a complaint made to him or otherwise) direct the Company to comply with the obligations imposed by this Agreement where the Company has failed to comply with any such obligation.

¹ This clause will not apply to any Supplemental Funding Agreement entered into in relation to an Academy which is a selective school within the meaning of Section 41 of the Academies Act 2010

² Currently these duties are in section 313 (Duty to have regard to the Special Educational Needs information relating to arrangements and facilities for disabled pupils at the school); and 324(5)(b) (Duty to admit the child where a school is named in the statement); and The Education (Special Educational Needs)(Information)(England) Regulations 2009 (S.I. 2009/2506). For the avoidance of doubt, the obligations in paragraph 12 of this agreement are in addition to any obligations imposed upon Academy proprietors directly in legislation or regulations.

b) The Company must ensure that each Academy's website includes details of the arrangements for the admission of disabled pupils; the steps taken to prevent disabled pupils from being treated less favourably than other pupils; the facilities

provided to assist access to the Academy by disabled pupils; and the plan prepared by the Academy Trust under paragraph 3 of Schedule 40 to the Equality Act 2010, by the Academy Trust under paragraph 3 of Schedule 40 to the Equality Act 2010.

Disabled pupils in this paragraph mean pupils who are disabled for the purposes of the Equality Act 2010³.

CONDITIONS OF GRANT

General

13) Other conditions and requirements in respect of an Academy, unless specified otherwise in a Supplemental Agreement, are that:

a) the school will be at the heart of its community, promoting community cohesion and offering facilities with other schools in the local community;

b) in respect of mainstream Academies, the admissions policy and arrangements for the school will be in accordance with admissions law and the DfE Codes of Practice, as they apply to maintained schools;

d) teachers' levels of pay and conditions of service for all employees will be the responsibility of the Company;

e) there will be an emphasis on the needs of the individual pupils including pupils with SEN, both those with and without statements of SEN;

f) there will be no charge in respect of admission to the school and the school will only charge pupils where the law allows maintained schools to charge.

g) the Company shall as soon as reasonably practicable establish an appropriate mechanism for the receipt and management of donations and shall use reasonable

³ This obligation is in addition to the obligation to comply with the duties to publish information imposed upon the governing bodies of maintained special schools set out in the Education (Special Educational Needs) (Information) Regulations 1999 (as amended from time to time) which paragraph 12 has the effect of imposing.

endeavour to procure donations through that mechanism for the purpose of the objects specified in the Articles.

Governance

14) Each Academy will be governed by the Company. The Company shall have regard to ~~that from the civil law of England shall not be bound by any guidance as to the governance of~~ Academies that the Secretary of State may publish.

~~to provide advice to the Company in relation to the functioning of that Academy. The role of the Advisory Body and the membership of it shall be for the Company to decide, but the Company will, as a minimum, ensure that:~~

a) a minimum of two parents of a pupil at the Academy (to be elected by the parents of registered pupils of the Academy) shall be a member of the Advisory Body;

Company; and

e) to the extent that the Company may, in accordance with the Articles, choose to establish a Local Governing Body, then the Company may additionally constitute the Advisory Body as the Academy's Local Governing Body.

Conduct

16) Each Academy shall be conducted in accordance with:

a) the Articles, which shall not be amended by the Company without the written consent of the Secretary of State; such consent not to be unreasonably withheld;

b) all provisions by or under statute which confer rights or impose obligations on Academies including, without limitation, the independent school standards prescribed under section 157 of the Education Act 2002 to the extent they apply to the Academy

Criminal Records Bureau Checks

17) The Company shall comply with the requirements of the Education (Independent School Standards) (England) Regulations 2010 (or such regulations as may for some time being be

applicable) in relation to carrying out enhanced criminal records checks, obtaining enhanced (where applicable) in relation to carrying out enhanced criminal records checks, obtaining enhanced criminal records certificates and making any further checks, as required and appropriate for members of staff, support staff, individual Directors and Directors of the Local Governing Body.

Pupils

10) Each Maintained Academy will be an all ability inclusive⁴ school whose requirements for:

a) the admission of pupils to the Academy are set out in the relevant annex to the Supplemental Agreement;

b) the admission to the Academy of and support for pupils with SEN and with disabilities to this Agreement;

c) pupil exclusions are set out in Annex C to this Agreement.

10A) Each Special Academy will be a special school whose requirements for:

a) the admission of pupils to the Academy are set out in the relevant annex to the Supplemental Agreement;

b) pupil exclusions are set out in Annex C to this Agreement.

Designated Teacher for Looked After Children

18A) The Company will in respect of each Academy act in accordance with, and be bound by, all relevant statutory and regulatory provisions and have regard to any guidance and codes of practice issued pursuant to such provisions, as they apply at any time to a maintained school, relating to the designation of a person to manage the teaching and learning of looked after children who are looked after by an LA and are registered pupils at the school. For the purpose of this clause any reference to the governing body of a maintained school in such statutory and regulatory provisions, or in any guidance and codes of practice issued pursuant to such provisions, shall be deemed to be references to the Directors of the Company.

⁴ For the purposes of this clause, an all ability inclusive school is a school which is not required to be an all ability inclusive school.

Teachers and other staff

19) Subject to clause 20, the Company shall not employ anyone under a contract of employment or for services to carry out planning and preparing lessons and courses for pupils, delivering lessons to pupils, assessing the development, progress and attainment of pupils, and reporting on the development, progress and attainment of pupils ("specified work") who is not either:-

- a) a qualified teacher within the meaning of regulations made under section 132 of the Education Act 2002; or
- b) otherwise eligible to do specified work under the Education (Specified Work and Registration) (England) Regulations 2003 (SI 2003/1663), which for the purpose of this clause shall be construed as if the relevant Academy were a maintained school.

20) Clause 19 does not apply to anyone who:

- a) was transferred to the employment of the Company by virtue of the Transfer of Undertakings (Protection of Employment) Regulations 2006; and

- i) a qualified teacher within the meaning of regulations made under section 132 of the Education Act 2002 and registered with full registration with the appropriate body, or

- ii) eligible to do specified work under the Education (Specified Work and Registration) (England) Regulations 2003 (SI 2003/1663)

("transferred staff member"). The Company shall use its best endeavours to ensure that any transferred staff member who undertakes specified work and does not meet the requirements of either clause 19(a) or clause 19(b) meets such requirements as soon as possible.

21) The Company shall ensure that all teachers employed at each Academy have access to the Teachers' Pension Scheme and, in so doing, will comply with the statutory provisions

22) The Company shall ensure that all employees at each Academy other than teachers

have access to the Local Government Pension Scheme

~~Curriculum, curriculum development and delivery, and PE and collective worship~~

~~22) The curriculum, provision by each Academy, shall provide a range of relevant subjects~~
and balanced.

23A) Not used.

~~23B) The Company shall publish information in relation to the current curriculum provision of~~

~~each Academy, including the following:~~

- a) the content of the curriculum;
- b) its approach to the curriculum;
- c) the GCSE option (and other Key Stage 4 qualifications) offered by each Academy; and
- d) how parents (including prospective parents) can obtain further information in relation

~~to the curriculum of each Academy;~~

24) The Company shall ensure that the broad and balanced curriculum includes English
Mathematics and Science.

25) The Company shall make provision for the teaching of religious education and for a daily
act of collective worship at each Academy.

26) Where a **Mainstream Academy** is designated with a religious character in accordance
with section 124B of the School Standards and Framework Act 1998 or in accordance with section
6(8) of the Academies Act 2010:

- a) subject to clause 28, and paragraph 4 of Schedule 19 to the School Standards and
Framework Act 1998 which shall apply as if the Academy were a voluntary aided
school with a religious character, the Company shall ensure that provision is made
for religious education to be given to all pupils at the Academy in accordance with the
tenets of the specified religion or religious denomination of the Academy;

- b) subject to clause 28, the Company shall comply with the requirements of section
76(4) of, and Schedule 6 to, the School Standards and Framework Act 1998 as if

~~the Academy were a voluntary aided school with a religious character or a voluntary~~

school, and as if references to 'the required collective worship' were references to collective worship in accordance with the tenets and practices of the specified religion or religious denomination of the Academy;

- c) the Company shall ensure that the quality of religious education given to pupils at the Academy and the contents of the Academy's collective worship given in accordance with the tenets and practice of the specific religion or religious denomination are inspected. Such inspection shall be conducted by a person chosen by the Company and the Academy shall secure that such inspection shall comply with the requirements set out in any statutory provision and regulations as if the Academy were a foundation or voluntary school which has been designated under section 69(3) of the School Standards and Framework Act 1998 as having a religious character.

27) Where a **Mainstream Academy** has not been designated with a religious character in accordance with section 124B of the School Standards and Framework Act 1998 or further to Section 6(8) of the Academies Act 2010:

a) subject to clause 26, the Company shall ensure that provision shall be made for religious education to be given to all pupils at the Academy in accordance with the requirements for agreed syllabus in section 375(2) of the Education Act 1996 and paragraph 2(5) of Schedule 10 to the School Standards and Framework Act 1998;

b) subject to clause 28, the Company shall ensure that the Academy complies with the requirements of section 70(1) of, and Schedule 20 to, the School Standards and Framework Act 1998 as if it were a community, foundation, voluntary or voluntary school which

Schedule do not apply. The Academy may apply to the Secretary of State for consent to

delayed.

c) the Company⁵:

Schools (Designation Procedure) (Independent Schools) (England) Regulations 2003

⁵ This is required in order to ensure that the process by which an Academy becomes designated as a school with a religious character is comparable to that of a voluntary school.

for each Academy to be designated as a school with religious character it shall seek the prior written consent of the Secretary of State;

(2) hereby acknowledges that the Secretary of State may in his absolute discretion refuse or consent to the Company making such an application.

28) Section 71(1) – (6) and (8) of the School Standards and Framework Act 1998 shall apply as if each Academy were a community, foundation or voluntary school, and as if references to “religious education” and to “religious worship” in that section were references to the religious education and religious worship provided by each Academy in accordance with clauses 26 or 27 as appropriate.

28A) In respect of RE and collective worship at **Special Academies**:

a) subject to c). the Company shall ensure that provision shall be made for religious education to be given to all pupils at each Academy in accordance with the requirements for religious education in section 403 of the Education Act 1996 and paragraph 2(5) of Schedule 19 to the School Standards and Framework Act 1998;

b) subject to c). the Company shall ensure that each Academy complies with the requirements of regulation 5A of the Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 as if it were a maintained special school;

c) Regulation 5A of the Education (Special Educational Needs) (England) (Consolidation) Regulations 2001 shall apply as if the Academy were a community or foundation special school, and as if references to “religious education” and to “religious worship” in that section were references to the religious education and religious worship provided by the Academy in accordance with this clause.

29) The Company shall have regard to any guidance issued by the Secretary of State further to section 403 of the Education Act 1996, on sex and relationship education to materials and they learn the nature of marriage and its importance for family life and for children in a community such as have regard to the requirements for section 405 of the Education Act 1996 which shall apply to each Academy as if it were a maintained school.

29A The Company agrees to act in accordance with Sections 406 (Political Indoctrination) and 407 (Duty to secure balance treatment of political issues) of the Education Act 1996.

as if it were a maintained school subject to the following modifications:

Academy;

b) references to registered pupils shall be treated as references to registered pupils at each Academy;

c) references to the governing body or the local authority shall, in each case, be treated as references to the Company; and

d) references to the head teacher shall, in each case, be treated as references to the Head Teacher of each Academy.

Assessment

f) The Company shall satisfy the appropriate body for assessment purposes about each Academy

a) The Company shall ensure that the Academy complies with any guidance issued by the Secretary of State from time to time to ensure that pupils take part in assessments and in teacher assessments of pupil's performance as they apply to maintained schools.

b) The Company shall report to any body on assessments under clause 30 as the Secretary of State shall prescribe and shall provide such information as may be required by that body as applies to maintained schools.

c) The Company shall ensure that the Academy will submit each Academy to monitoring and moderation of its assessment arrangements as prescribed by the Secretary of State.

d) The Company may not offer courses at any Academy which lead to relevant qualifications, as defined in section 96 of the Learning and Skills Act 2000, unless the Secretary of State gives specific approval for such courses.

Exclusions Agreement

51) in respect of mainstream Academies, the Company shall, if invited to do so by an LA, enter into an agreement in respect of an Academy with that LA, which has the effect that where:

- a) the Company admits a pupil to the Academy who has been permanently excluded from a maintained school, the Academy itself or another Academy with whom the LA has a similar agreement; or
- b) the Company permanently excludes a pupil from the Academy payment will flow between the Company and the LA in the same direction and for the same amount that it would, were the Academy a maintained school, under Regulations made under section 47 of the School Standards and Framework Act 1998 relating to the addition or deduction of a maintained school's budget following a permanent exclusion or the admission of a permanently excluded pupil. At the date of this Agreement, the applicable Regulation is Regulation 23 of the School Finance (England) Regulations 2011.

School Meals

provide school lunches for those pupils unless it would be unreasonable for it to do so. Subject to the provisions of clause 22, charges may be levied for lunches, but the Company shall otherwise fund the cost of such school lunches from its GAG.

ensure that a school lunch is provided for such a pupil free of charge to be funded out of the Company's GAG.

Charging

24) Sections 402 (Obligation to enter pupils for public examinations), 450, 457 (charges) made further to those provisions) shall be deemed to apply to each Academy with the following modifications:

- a) references to any maintained school shall be treated as references to an Academy;
- b) references to registered pupils shall be treated as references to registered pupils at

c) references to the governing body or the local education authority shall, in each case, be treated as references to the Company;

d) the charging and remissions policies required to be determined under section 457 of the Education Act 1996 shall require the approval of the Secretary of State; and
the Company may charge persons who are not registered pupils at an Academy for education provided or for facilities used by them at that Academy

International Education Surveys

34A The Secretary of State may, by notice in writing to the Company, require the Company to participate in an international education survey and the Company shall, upon receipt of such notice, provide the Secretary of State with such assistance and information as may reasonably be required for the purposes of the Academy's participation in that survey.

Pupil Premium

- 34B The Secretary of State may, by notice in writing to the Company, require the Company to provide the following information in relation to:
- the amount of Pupil Premium allocation that it will receive during the Academy Financial Year;
 - on what it intends to spend the Pupil Premium allocation;
 - on what it spent its Pupil Premium in the previous Academy Financial Year;
 - the impact of education provision on the Academy's Financial Year's Pupil Premium.

GRANTS TO BE PAID BY THE SECRETARY OF STATE

General

35 The Secretary of State shall pay to the Company a Capital and Recurrent Expenditure grant for each Academy. Except with the Secretary of State's prior agreement, the Company shall not incur any expenditure in any Academy Financial Year in excess of expected income. The Company shall not incur any expenditure which has substantial implications for future levels of grant or for the period for which grant may be required. No decision by the Company shall commit the Secretary of State to paying any

particular amount of grant.

26) "Recurrent Expenditure" means any expenditure on the establishment, conduct

administration and maintenance of the Academy, which does not fall within the category of capital expenditure set out at clause 37. The Secretary of State shall pay two

separate and distinct grants in respect of recurrent expenditure: General Annual Grant

(GAG) and Earmarked Annual Grant (EAG).

Capital Grant

27) "Capital Expenditure" means expenditure on:

a) the acquisition of land and buildings;

b) the erection, enlargement, improvement or demolition of any building including fixed plant, installation, wall, fence or other structure, or any playground or hard standing;

c) the installation of electrical, mechanical or other services other than necessary replacements, repairs and maintenance due to normal wear and tear;

d) the purchase of vehicles and other self-propelled mechanical equipment;

e) the installation and equipping of premises with furnishings and equipment other than

replacements, repairs and maintenance due to normal wear and tear;

f) the installation and equipping of premises with computers, networking for computers, operating software and information and communication technology equipment, other than necessary updates or necessary replacements, repairs and maintenance due to normal wear and tear;

g) the provision and equipping of premises, including playing fields and other facilities for social activities and physical recreation other than necessary replacements, repairs and maintenance due to normal wear and tear;

h) works of a permanent character other than the purchase or replacement of minor day-to-day items;

i) any major repairs or replacements which are specified as constituting capital

), such as it is (whether of a like or dissimilar nature to any of the foregoing) of a substantial or enduring nature as the Secretary of State may agree shall constitute capital expenditure for the purposes of this Agreement.

k) all professional fees properly and reasonably incurred in connection with the provision of any of the above;

l) VAT and other taxes payable on any of the above.

“Capital Grant” means grant paid to the Company in respect of Capital Expenditure.

38) Where an Academy is to open in new premises, or where existing premises are to be substantially refurbished or remodelled to enable the Academy to open in such premises, the Secretary of State may, in his absolute discretion be responsible for meeting the incurred Capital Expenditure for that Academy. To that end, the Secretary of State may

consider appropriate arrangements with any appropriate authority or authorities as may be appropriate.

39) Any Capital Expenditure incurred in respect of each Academy on which Capital Grant is paid by the Secretary of State shall be subject to the prior written agreement of the Secretary of State, which agreement shall not be unreasonably withheld or delayed.

40) Any payment of Capital Grant to the Company under this Agreement is subject to the fulfilment of the following conditions:

a) such grants are used solely to defray expenditure approved by the Secretary of State;

b) the Company certifying and providing evidence that all planning and other consents necessary for the development and all related infrastructure to be completed have been obtained or put in place.

c) Any other conditions that the Secretary of State may specify.

Arrangements for Payment of Capital Grant

41) Capital Grant will be paid by the Secretary of State to the Company on the basis of claims for Capital Grant submitted to the Secretary of State in the notified format with supporting invoices and certificates as required by the Secretary of State. If a dispute arises as to whether a claim is or is not acceptable both parties undertake to attempt to resolve it in good faith. In the event of such a dispute, the Secretary of State shall pay to the

Company so much of the claims as shall not be in dispute.

General Annual Grant

42) GAG will be paid by the Secretary of State to the Company in order to cover the normal

a) teachers' salaries and related costs (including full and part-time teaching staff and seconded teachers);

b) non-teaching staff salaries and related costs (including pension contributions, educational support staff, administrative and clerical staff and manual and premises related staff);

c) employees' expenses;

d) the purchase, maintenance, repair and replacement:

(i) of teaching and learning materials and other educational equipment, including books, stationery and ICT equipment and software, sports equipment and laboratory equipment and materials,

(ii) of other supplies and services;

e) examination fees;

f) repairs, servicing and maintenance of buildings (including redecoration, heating, plumbing, lighting etc); maintenance of grounds (including boundary fences and walls); cleaning materials and contract cleaning, water and sewage, fuel and light

maintenance, repair and replacement of furniture and fittings;

in connection with the Secretary of State's functions in relation to insurance to the extent that insurance and/or comparable arrangements are made available to the Company (whether at a cost to the Company or otherwise

and whether made available by and/or on behalf of the Secretary of State or otherwise) save that, to the extent that such insurance and/or comparable arrangements as may be made available constitute a cost for the Company, the Secretary of State shall provide a contribution through GAG in relation to such cost;

h) medical equipment and supplies;

i) staff development (including in-service training);

ii) curriculum development;

(K) the costs of providing school meals for pupils (including the cost of providing free

educational needs or disabilities (taking account of the fact that separate additional money will be available for pupils with statements of special educational needs);

l) administration;

43) Subject to clauses 49 to 50 (applying in respect of the institutional costs) and clauses 51 to 52, GAG for each Academy Financial Year for each **Mainstream Academy** will include;

a) funding equivalent to that which would be received by a maintained school with similar characteristics, determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils at each Academy;

b) funding in respect of functions which would be carried out by the **Mainstream Academy** if that Academy was a maintained school.

44) The GAG for each Academy Financial Year for each **Mainstream Academy** will also include, payable on a basis equivalent to that applied to maintained schools:

a) payments in respect of extra costs incurred by that Academy to incur extra costs for as long as those costs are deemed necessary by the Secretary of State; and

b) payments in respect of further, specific grants made available to maintained schools, where the relevant Academy meets the requisite conditions and criteria necessary for a maintained school to receive these grants.

45) Subject to clause 47, the basis of the pupil number count for the purposes of determining

the same basis as that used by the Local Authority for determining the budget share of

Schools Census. Schools Census are determined by the Secretary of State. In subsequent years the basis of the pupil count will be as determined by the Secretary of State.

GAG for a **Mainstream Academy** for Academy Financial Years after the Academy

Financial Year in which the Academy opens will be:

a) for the pupil number count for pupils in Year 11 and below, the Schools Census which is used to fund maintained schools for the financial year overlapping with the Academy Financial Year in question; and

b) for the pupil number count for pupils in Year 12 and above, the formula which the time being is in use for maintained schools for the calculation of pupil numbers for pupils in Year 12 and above for the purpose of calculating their level of funding.

47) Where either of the following conditions applies in respect of an Academy Financial Year, the basis of the pupil count shall be determined by the Secretary of State, taking account of any diseconomies of scale that the Academy will be under as a result of such condition(s) applying. The conditions are:

a) not all planned Year-groups will be present at the Academy (that is, not all the pupil cohorts relevant to the age range of the Academy will have some pupils present); or

b) the total number of pupils as measured in the Schools Census which is used to fund Year in question is less than 90% of the planned final size of the Academy as specified in the Academy's appointment agreement, and that the Academy previous time been greater than 90% of that number.

48) For any Academy Financial Year in which GAG for a **Mainstream Academy** has been calculated in accordance with clause 45, no adjustment shall be made to the following

recognise variation from the pupil count basis used.

49) For any Academy Financial Year in which GAG for a **Mainstream Academy** is calculated in accordance with clause 45, no adjustment shall be made to the formula element in the following Academy Financial Year's formula funding element of

GAG unless the Company demonstrates to the satisfaction of the Secretary of State that there has been a significant impact on costs, such as an extra class. For any other element of GAG the Secretary of State may make adjustments to recognise a variation in

pupil numbers from that used to calculate the element of grant in question; the basis of these will be set out in the annual letter of funding.

50) The Secretary of State recognises that:

a) in relation to ~~Mainstream Academies~~ ~~which open with intakes representing only a proportion of the total planned size of the Academy~~ ~~in which the number of pupils present are unlikely to be sufficient to meet the Academy's needs in the first Year before all year groups are present at their planned size~~ (the "Start-up Period") because of a lack of economies of scale. The Secretary of State may pay an ~~appropriately larger GAG in the Start-up Period than would be justified solely on the basis of the methods set out in clauses 43-49, in order to enable the Academy to operate effectively~~⁶;

b) in relation to ~~Mainstream Academies~~ ~~which open with pupils transferred from one or more maintained schools~~ ~~which have closed~~ additional GAG resources may be required to take account of transitional costs including any costs associated with ~~offer a dual curriculum. If the Secretary of State has indicated that such additional GAG will be payable, the Company will make a bid for this addition to GAG based upon need and providing appropriate supporting evidence.~~

c) ~~During the Start-up Period or during the period when year groups are present who have transferred from a predecessor school or schools, the Secretary of State will pay a further element of GAG additional to that calculated in accordance with the methods set out in clauses 43-49 to allow the relevant Mainstream Academy to:~~

~~purchase a basic stock of teaching and learning materials (including library books, text books, software, stationery, science equipment and equipment for physical education) and other consumable materials;~~

~~provide training and induction of additional teaching and other staff.~~

After the Start-up Period these costs will be met through the ordinary GAG.

52) The Secretary of State recognises that if he serves notice of intention to terminate a

~~the GAG for the Start-up Period is only applicable to Academies with approved Expressions of Interest.~~

notice period is likely to decline and that in such circumstances payments based simply upon the number of pupils attending the relevant **mainstream Academy** are unlikely to be sufficient to meet the Academy's needs during the notice period. The Secretary of State undertakes to pay a reasonable and appropriately larger GAG with respect to that Academy in the notice period than would be justified solely on the basis of the methods set out in clauses 43-49, in order to enable the Academy to operate effectively.

53) The Secretary of State also recognises that if this Agreement or a Supplemental Agreement is terminated for any reason by either party the number of pupils at the relevant **mainstream Academy or Academies** is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the Academy.

54) Subject to clause 73, GAG paid by the Secretary of State in respect of a **Mainstream Academy** shall only be spent by the Company towards the normal running costs of that Academy.

54A) Clauses 54A to 54H apply in respect of **Special Academies** only.

54A) GAG for each **Special Academy** will be the total of the following areas of funding: (see clause 54D)

- a) funding equivalent to that which would be received by a maintained special school with similar characteristics determined by the Secretary of State and notified in the Annual Letter of Funding or its equivalent, taking account of the number of pupils at each Academy;
- b) funding in respect of further, specific grants made available to maintained special schools which would be received by that Academy if it had been a maintained special school.

54B) The GAG for each Academy Financial Year for each **Special Academy** will also include, payable on a basis equivalent to that applied to maintained special schools:

- a) funding for matters for which it is necessary for that Academy to incur extra costs, as long as those costs are deemed necessary by the Secretary of State; and
- b) payments in respect of further, specific grants made available to maintained special schools, where the relevant Academy meets the requisite conditions and criteria

necessary for a maintained school to receive these grants.

54C) GAG will be based on a number of places and/or pupils, as appropriate to the funding formula of the local authority, determined annually by the Secretary of State, who shall be used.

Each Special Academy will be determined at the start of each Academy Financial Year.

The Secretary of State may make provision for GAG to be adjusted in-year if the number of pupils attending the relevant academy at specified dates exceeds or falls below thresholds specified by letter. Arrangements for this will be set out in the Annual Letter of Funding.

54E) The Secretary of State recognises that a larger GAG may be appropriate to meet additional costs during the start-up period, and may pay start-up grant, on a basis determined by him, during that period, the length of which will be stipulated in the Annual Letter of Funding⁷.

54F) The Secretary of State recognises that if he serves notice of intention to terminate a Special Academy, the intake of new pupils during the notice period is likely to be insufficient to meet the Academy's needs during the notice period. The Secretary of State undertakes to pay a reasonable and appropriately larger GAG with respect to that Academy in the notice period than would be justified solely on the basis of the methods set out in clauses 54A-54C, in order to enable the Academy to operate effectively.

54G) The Secretary of State also recognises that if this Agreement or a Supplemental Agreement is terminated or any part of it is terminated, the number or the number of pupils at the relevant Special Academy or Academies is likely to decline. In these circumstances both parties undertake to attempt to resolve issues arising from such termination in good faith and with the aim of protecting the interests and the education of the pupils at the Academy.

54H) GAG paid by the Secretary of State in respect of a Special Academy shall only be

Note that a larger GAG for the start-up period is only applicable to Academies with approved Expressions of Interest.

spent by the Company towards the normal running costs of that Academy.

Earmarked Annual Grant

55) Earmarked Annual Grant ("EAG") shall be paid by the Secretary of State to the Company

described in the relevant funding letter. The Company shall only spend EAG in accordance with the scope, terms and conditions of the grant set out in the relevant

Year, it shall submit a letter outlining its proposals and the reasons for its request to Academies Division, Sanctuary Buildings, Great Smith Street London SW1P 3RT

57) The Secretary of State shall notify the Company at a date preceding the start of each

which, subject to Parliamentary approval, the Secretary of State plans for that Academy

56) If GAG or EAG is calculated incorrectly due to a mistake of the Secretary of State then:

a) if this leads to an underpayment of GAG, the Secretary of State will correct the underpayment in subsequent Academy Financial Years;

b) if this leads to an overpayment of GAG, the Secretary of State reserves the right to recover any overpaid grant in subsequent Academy Financial Years, as appropriate, having considered all the relevant circumstances and taking into account any representations from the Company.

information to the Secretary of State then:

underpayment in subsequent Academy Financial Years;

b). If this leads to an overpayment of GAG, the Secretary of State reserves the right to

having considered all the relevant circumstances and taking into account any

representations from the Company.

The amount of GAG for each Academy Financial Year will be determined annually by the Secretary of State. The amount of GAG for each Academy for the initial Academy Financial Year will be notified to the Company in a funding letter at a date preceding that year. For subsequent years the amount of GAG will be notified to the Company in a funding letter preceding that Academy Financial Year (the "Annual Letter of Funding").

The Annual Letter of Funding will not include the amount that the Company will receive in respect of grants for which information to enable timely calculation is not available or is incomplete, such grants will be notified as soon as practicable later in the year. Amounts of GAG will be notified to the Company in respect of such grants as soon as practicable thereafter.

On the twenty fifth day of each month, each such instalment to fund the salaries and other payroll costs for the relevant month or last month of all monthly paid employees and all other costs payable to or by the Company in respect of such employees as set out in the Annual Letter of Funding.

Other relevant funding

62) Not used.

The Secretary of State may meet costs incurred by the Company in respect of the transfer of employees from any non-essential school under the transfer of employees provisions of the Education Act 1996. Payment of grant in respect of such costs is to be agreed in the Annual Letter of Funding. The Company will not be required to fund such costs unless it is specifically notified that such grant will be paid.

64) The Company may also receive funding from an I.A in respect of the provision detailed in statements of special needs for pupils attending an Academy in accordance with the provisions of Section 483A of the Education Act 1996 and regulations made under that section. The Company will not be required to fund such pupils.

65) Not used.

FINANCIAL AND ACCOUNTING REQUIREMENTS

General

66) The Company shall appoint an Accounting Officer and shall notify the Secretary of State of that appointment.

67) In relation to the use of grant paid to the Company by the Secretary of State, the Company shall abide by the requirements of and have regard to the guidance in the

~~Academy Financial Statements and Accounts Regulations 2011~~ and as modified to take account of the fact that the Company manages more than one

Academy and shall also have regard to the provisions of the Companies Act 2006 in relation to the

preparation of financial statements and accounts and to the provisions of the Companies Act 2006 in relation to the

preparation of financial statements and accounts and to the provisions of the Companies Act 2006 in relation to the

preparation of financial statements and accounts and to the provisions of the Companies Act 2006 in relation to the

preparation of financial statements and accounts and to the provisions of the Companies Act 2006 in relation to the

preparation of financial statements and accounts and to the provisions of the Companies Act 2006 in relation to the

charity.

68) The formal budget plan must be approved each Academy Financial Year by the Directors of the Company.

69) Any payment of grant by the Secretary of State in respect of each Academy is subject to his being satisfied as to the fulfilment by the Company of the following conditions:

a) in its conduct and operation it shall apply financial and other controls which conform to the requirements both of propriety and of good financial management;

b) arrangements have been made to maintain proper accounting records and that statements of income and expenditure and balance sheets may be produced in such form and frequency as the Secretary of State may from time to time reasonably direct;

c) in addition to the obligation to fulfil the statutory requirements referred to in sub clause i) below, the Company shall prepare its financial statements, Directors' report, Annual Accounts and its Annual Return for each Academy Financial Year in accordance with the Statement of Recommended Practice as if the Company was a

Secretary of State may reasonably direct and shall file these with the Secretary of State and the Principal Regulator each Academy Financial Year;

d) a statement of the accounting policies used should be sent to the Secretary of State

with the financial statements and should carry an audit report stating that in the

opinion of the auditors, the statements show a true and fair view of the Company's affairs and that the grants were used for the purposes intended;

4) The Company shall ensure that its accounts are audited annually by independent

f) the Company prepares and files with the Companies Registry such annual accounts as are required by the Companies Act 2006;

the Company shall publish on its website or its website its Annual Accounts, Annual Report Memorandum and Articles of Association, Funding Agreement and a list of the names of the Directors of the Company;

2) the Company incurs or procures insurance to cover its physical assets in accordance with normal commercial practice or under the terms of any subsidiary leases in respect of the leasehold interest of the site upon which the premises are situated;

70) In addition, and at his expense, the Secretary of State may instruct auditors to report to him on the adequacy and effectiveness of the accounting systems and internal controls maintained by the Company to standards determined by the Secretary of State and to make recommendations for improving the financial management of the Company.

71) The books of accounts and all relevant records, files and reports of the Company including those relating to financial controls, shall be open at all reasonable times to officials of the DfE and the National Audit Office and to contractors retained by the DfE or the National Audit Office for inspection or the carrying out of value for money studies; 1) The Company shall ensure that these officials and contractors are given reasonable assistance with their enquiries for the purposes of the provisions of this Agreement relevant to the provision and use of grants provided by the Secretary of State under this Agreement.

72) The Company shall submit its annual budgets relevant to each Academy to the Secretary of State by not later than 15 February before the start of each Academy Financial Year. Such budgets shall set out clearly the prospective income and expenditure of the relevant Academy and shall differentiate and give adequate details of:

a) a statement of expected income for that Academy Financial Year including cash donations and gifts in kind from sources other than GAG, EAG and grants from the Secretary of State towards capital and revenue expenditure, distinguishing between

income from public funds including the national lottery and income from other sources. Income from cash donations and gifts in kind from sources other than GAG, FAG and grants from the Secretary of State towards capital expenditure will not be taken into account by the Secretary of State in the calculation of GAG:

73) At the beginning of any Academy Financial Year the Company may hold unspent GAG for any Academy from previous Academy Financial Years amounting to such percentage

in the Academy Financial Year just ended or such higher amount as may from time to time be agreed. The Company shall use such carried forward amount for such purpose.

in writing to the Company.

74) Notwithstanding clause 72 any additional grant provided over and above that set out in clause 42, 49 and 50 and in accordance with clause 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

75) Any savings of GAG not allowed to be carried forward under clauses 73-74 will be taken into account in the payment of subsequent grant.

76) The Company may also accumulate funds from private sources or public sources other than grants from the Secretary of State for application to the benefit of an Academy as it sees fit. Any surplus arising from private sources or public sources other than grants from the Secretary of State shall be separately identified in the Company's balance sheet.

76A) Grants paid by the Secretary of State shall only be used by the Company for purposes listed in Article 4(a) of the Articles. Such funds shall not be used by the Company for purposes listed in Article 4(b) of the Articles without the prior written consent of the Secretary of State. Where the use of such funds for a purpose set out in Article 4(b) is merely incidental to their use for the purposes set out in Article 4(a) of the Articles.

77) The Company shall not, in relation to assets or property funded (whether in whole or in part) by the Secretary of State, without the prior written consent of the Secretary of State

indemnities or letters of comfort;

- b) write off any debts or liabilities owed to it above a value for the time being specified by the Secretary of State nor offer to make any ex gratia payments;
- c) make any sale or purchase of freehold property; or

grant or take up any leasehold or tenancy agreement for a term exceeding three years.

78) The Company shall provide 60 days notice to the Secretary of State, whether or not the circumstances require the Secretary of State's consent, of its intention to:

- a) give any guarantees, indemnities or letters of comfort;
- b) write off any debts or liabilities owed to it above a value for the time being specified by the Secretary of State nor offer to make any ex gratia payments;
- c) make any sale or purchase of freehold property; or

d) grant or take up any leasehold or tenancy agreement for a term exceeding three years.

79) Each discovered loss or an amount exceeding £10,000 for the time being specified by the Secretary of State and arising from suspected theft or fraud, shall be reported by the Company to the Secretary of State at the earliest opportunity.

80) It is the responsibility of the Company to ensure that each Academy balances its budget from Academy Financial Year to Academy Financial Year.

a) carrying a surplus from one Academy Financial Year to the next; or

b) carrying forward from a previous Academy Financial Year or Academy Financial Years a sufficient surplus or sufficient cumulative surpluses on grants from the Secretary of State to meet an in-year deficit on such grants in a subsequent financial year; or

c) incurring an in-year deficit on funds from sources other than grants from the Secretary of State in any Academy Financial Year, provided it does not affect the Company's responsibility to ensure that the Company balances its overall budget from Academy Financial Year to Academy Financial Year.

80A The Company shall abide by the requirements of and have regard to the Charity Commission's guidance to charities and charity trustees and in particular the Charity

Any references in this document which require charity trustees to report to the Charity Commission should instead be interpreted as references to report to the Principal Regulator.

Borrowing Powers

81) The Company shall not borrow, assist or agree to put at risk property or assets funded (whether in whole or in part) by the Secretary of State, without the prior approval of the Secretary of State, such approval may only be granted in limited circumstances. The Company shall not operate an overdraft except to cover irregularities in cash flow. Such an overdraft, and the maximum amount to be borrowed, shall require approval by the Company in General Meeting and in writing by the Secretary of State, and shall be subject to any conditions which the Secretary of State may reasonably impose.

82) The Company shall provide 30 days notice to the Secretary of State of its intention to incur a liability or incur a liability in excess of the Secretary of State's approval under clause 81 above.

Disposal of Assets

83) Where the Company acquires assets for a nil consideration or at an under value it shall be treated for the purpose of this Agreement as having incurred expenditure equal to the market value of those assets at the time that they were acquired. This provision shall not apply to assets transferred to the Company at nil or nominal consideration and which were previously used for the purposes of an Academy and/or were transferred from an LA, the value of which assets shall be disregarded.

84) The sale or disposal by other means or investment of assets made from the disposal of a... consent not to be unreasonably withheld or delayed, where:

a) the Secretary of State paid capital grant in excess of the value for the time being specified by the Secretary of State for the asset; or

b) the asset was transferred to the Company from an LA for no or nominal consideration.

85) If the disposal of an asset is an investment of a percentage of the proceeds of disposal of a capital asset

the Secretary of State shall require the Secretary of State's consent in the circumstances specified above and

value for the time being specified by the Secretary of State or with other special features will be subject to Parliamentary approval. The percentage of the proceeds for which this is provided is the percentage of the initial price of the asset which was paid by capital grant from the Secretary of State.

86) This clause applies in the event, during the lifetime of this Agreement, of the disposal of

to the Secretary of State the same proportion of the proceeds of the disposal as equates with the proportion of the proceeds of the disposal retained by the Company

Secretary of State to some or all of the proceeds being retained by the Company for its charitable purposes.

87) This clause applies in the event, during the lifetime of this Agreement, that the Secretary of State consents to the disposal of an asset which was transferred to the Company from an LA for no or nominal consideration. In this event the Secretary of State may give consent on the basis that all or part of the proceeds of the disposal should be made over to the LA from which the asset was transferred, taking into account the amount of the proceeds of the disposal. The Secretary of State will have regard to any representations from the Company and the LA from which the asset was transferred before giving consent under this clause.

88) Except with the consent of the Secretary of State, the Company shall not dispose of assets funded (whether in whole or in part) by the Secretary of State for a consideration less than the best price that can reasonably be obtained, such consent not to be unreasonably withheld or delayed.

89) The Company shall provide 30 days notice to the Secretary of State of its intention to dispose of assets for a consideration less than the best price that can reasonably be

clause 88 above.

TERMINATION

90) This Agreement shall commence on the date hereof and continue until terminated in accordance with clause 91 or until all Supplemental Agreements have terminated.

91) The Secretary of State may at any time by notice in writing terminate this Agreement and

a) the Company is a member of its business creditors; or

b) the Company is a member of its business creditors; or

Act 1986 (as amended); or

c) the Company is unable to pay its debts within the meaning of Section 123 of the

Insolvency Act 1986 provided that, for the purposes of this Clause, Section 123(1)(a) of

750. The Company shall not be deemed unable to pay its debts for the purposes of this

good faith by the Company; or

d) the Company has a receiver or manager (with the exception of Receivers and managers or interim managers appointed by the County Commission under the Companies

receiver appointed over all or any part of its undertakings, assets or income; or

Company's property and is not paid out, withdrawn or discharged within fifteen Business Days; or

f) the Company has passed a resolution for its winding up; or

g) an order is made for the winding up or administration of the Company;

petition which may result in an order for the winding up or administration of the Company,

and shall provide an explanation to the Secretary of State of the circumstances which

rise to the service of such a petition.

92) If, following the exercise of the Secretary of State's powers to appoint Additional

...the Members pass
...as a special resolution to remove one or more of those Additional or Further
Directors appointed by the Secretary of State, the Secretary of State may give the
Company 12 months or such lesser period as he considers appropriate in the
circumstances, written notice to terminate this Agreement or, as the Secretary of State

in his absolute discretion decide any of the Supplemental Funding Agreement's

he removes any of the Additional Directors or Further Directors which he has appointed
pursuant to the Articles of Association.

93A) The Secretary of State may at any time by notice in writing, subject to clause 93C)
below terminate this Agreement forthwith (or on such other date as he may in his
absolute discretion determine) in the event that there is a change:

- (a) in the Control of the Company;
- (b) in the Control of a legal entity that Controls the Company.

Provided that where a person ('P') is a member or director of the body corporate (as a
corporation etc. or otherwise) by virtue of an office, no change of Control arises merely
by P's successor becoming a member or director in P's place.

93B) The Company shall, as soon as it is reasonably practicable to do so after it has
become aware of any change or proposed change of Control within the meaning of
clause 93A), give written notice to the Secretary of State of such change or proposed
change of Control.

93C) When notifying the Secretary of State further to clause 93B), the Company may seek

the Secretary of State's agreement that, if he is satisfied that, it is in the interests of the
Company to do so, the Company may enter into a Supplemental Funding Agreement further to clause 93A).

Effect of Termination

94) In the event of the termination of this Agreement however occurring the Secretary of
State shall procure that his nominee (if any) shall resign as a member of the Company
and shall co-operate in making any associated amendments to the Articles of
Association.

GENERAL

Information

95) Without prejudice to any other provision of this Agreement, the Secretary of State acting reasonably may from time to time call for information on, inter alia, any Academy's:

a) curriculum;

h) arrangements for the assessment of pupils;

ius,

d) class sizes;

h) co-operation with other schools and the local community;

h) operation of the Admission Criteria for an Academy including numbers of applications for places and the number and characteristics of pupils accepted for admission – for Mainstream Academies only;

Academy including numbers of applications for places and the number and characteristics of pupils accepted for admission – for Mainstream Academies only;

g) numbers of pupils excluded (including permanent and fixed term exclusions);

h) levels of authorised and unauthorised attendance;

i) charging and remissions policies and the operation of those policies;

ii) organisation, operation and financial management;

k) financial controls; and

l) membership and proceedings of the Company and the Local Governing Body.

96) The Company shall make such information available to the Secretary of State, in such form and manner and at such times as may reasonably be required. The Secretary of State shall provide the Company with such information as it may reasonably require of him for the running of an Academy.

Access by the Secretary of State's Officers

The Company shall allow access to the premises of any Academy or any reasonable

the in the officials. All reasons, fees and reasons relating to the running of the Company

and each Academy shall be available to them at any reasonable time. The Company shall provide the Secretary of State in advance with papers relating to each Academy prepared for meetings of the Local Governing Body, of the Company's directors and of

at all such meetings, but shall withdraw from any discussion of an Academy's or the Company's affairs with the Secretary of State or any discussion of bids for funding to the Secretary of State. The Company shall take any steps which are required to

90) The Company shall ensure that:

a) the agenda for every meeting of the relevant Local Governing Body and the Company's directors;

b) the minutes of every such meeting, if they have been approved by the person acting as chairman of that meeting;

d) any report, document or other paper considered at any such meeting, are made available for inspection by the Secretary of State at the relevant Academy and, as soon as is reasonably practicable, sent to the Secretary of State.

91) There may be excluded from any item required to be made available for inspection by any interested party and to be sent to the Secretary of State by virtue of clause 98, any material relating to:

a) a named teacher or other person employed, or proposed to be employed, at any Academy;

b) a named pupil at, or candidate for admission to, any Academy; and

confidential.

Notices

92) Any communication concerning this Agreement or a Supplemental Agreement shall be sent to the Secretary of State to the Company at its registered office or such other addressee/address as may be

Division, Department for Education, Sanctuary Buildings, Great Smith Street, London

101) The service by the Secretary of State of a notice of termination of a Supplemental

notice period to admit pupils to the relevant Academy in accordance with the provisions

of this Agreement and the relevant Supplemental Agreement and to receive GAG and EAG in respect of them.

Appointment of Additional or Further Directors by the Secretary of State

the Articles to appoint Additional Directors or Further Directors in the following circumstances:-

a) if the matters giving rise to the appointment of the Additional or Further Directors relate, in the reasonable opinion of the Secretary of State to the affairs of only one Academy; and

b) if the Company has delegated, and continues to delegate, to a Local Governing Body

that gives rise to the appointment of the Additional or Further Directors and to ensure that

relevant Academy or the Company's behalf; and

c) if the Company replaces such members of the Local Governing Body and/or appoints additional members of that Local Governing Body as in either case the Secretary of State may by notice in writing to the Company specify; and

d) provided that such delegation is not subsequently revoked or, without the prior written consent of the Secretary of State, varied in any material respect.

Complaints

100A) If a complaint is made about matters arising in whole or in part prior to the opening of

5.4 of the relevant supplemental agreement, and

an or partner that complaint was being

Ombudsman under Part III or the Local Government Act 1974 ('Part III') or that complaint

n whole or in part could have been investigated under Part III had the school the

a) will abide by the provisions of Part III as though the Academy were a maintained school;

b) agree that the Secretary of State shall have the power to investigate the matter complained of as if it had taken place after conversion;

c) agrees to act in accordance with any recommendation from the Secretary of State as made under Part III and the Academy were a maintained school.

102B) If the Secretary of State could have given an order and/or a direction under section 496 and/or section 497 of the Education Act 1996 to the governing body of the school the Academy replaced (as referred to in clause 2.4 of the relevant supplemental agreement) and that order and/or direction related to matters occurring within the 12 months immediately prior to conversion, the Company agrees:

the Secretary of State may give orders and/or directions to the Company as though the Academy were a maintained school and as though the Company were the governing body of that maintained school;

b) to act in accordance with any such order and/or direction from the Secretary of State

General

103) This Agreement shall not be assignable by the Company.

104) The Secretary of State and the Company recognise the difficulties in catering in this Agreement and the Supplemental Agreements for all the circumstances which may arise in relation to the Academies and undertake in good faith to conduct such consultations

throughout the currency of this Agreement

This Agreement was executed as a Deed on

4/9/2012

Executed on behalf of the Company by:

..... *KW Smell*
Director

In the presence of:

Witness..... *Ime Gasool*

Address..... [Redacted]

Occupation *PA to Headteacher*

The Corporate Seal of the Secretary of State for Education, hereunto annexed is authenticated by:



AP

Ime Gasool